

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-04049A  
DS Water Company  
PO Box 786  
Desert Springs, AZ 86432

D

RECEIVED

APR 17 2008

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

4-17-08

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>DS Water Company</u>			
<b>Mailing Address</b> <u>P.O. Box 786</u>			
<u>Desert Springs</u> (City)		<u>AZ</u> (State)	<u></u> (Zip)
<u>928-347-5467</u> Telephone No. (Include Area Code)	<u>702-346-8547</u> Fax No. (Include Area Code)	<u>435 701 2007</u> Cell No. (Include Area Code)	
<b>Email Address</b> <u>sickholm72@gmail.com</u>			
<b>Local Office Mailing Address</b> <u>See above</u>			
<u></u> (City)		<u></u> (State)	<u></u> (Zip)
<u></u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Cell No. (Include Area Code)	
<b>Email Address</b> <u></u>			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Rock Holm</u>			
<u>P.O. Box 786</u> (Street)		<u>Desert Springs</u> (City)	<u>AZ 86432</u> (State) (Zip)
<u>928 347 5467</u> Telephone No. (Include Area Code)	<u>702-346-8547</u> Fax No. (Include Area Code)	<u>435 701 2007</u> Cell No. (Include Area Code)	
<b>Email Address</b> <u></u>			
<b>On Site Manager:</b> <u></u>			
<u></u> (Name)			
<u></u> (Street)		<u></u> (City)	<u></u> (State) (Zip)
<u></u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Cell No. (Include Area Code)	
<b>Email Address</b> <u></u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Richard L. Sallquist Sallquist, Drummond PC  
 (Name)  
1430 E Missouri Ave, Suite B-125 Phoenix AZ 85014  
 (Street) (City) (State) (Zip)  
602-224-9222 602-224-9366  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)  
 Attorney: Richard Sallquist Sallquist, Drummond & Oconnor PC  
 (Name)  
4500 S. Lakeshore Drive Suite 339 Tempe, AZ 85282  
 (Street) (City) (State) (Zip)  
480-839-5202 480 345 0412  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)  
 Email Address

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO          |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE          |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL             |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA              |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

COMPANY NAME

DS Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,056.80	1,056.80	0.00
302	Franchises	28,780.87	8,794.44	19,986.41
303	Land and Land Rights			
304	Structures and Improvements	34,083.75	5,166.16	28,917.59
307	Wells and Springs	18,849.22	3,681.57	15,167.65
311	<sup>SUPPLY MAINS</sup> Pumping Equipment	110,562.48 52,569.64	63,389.7 29,880.95	111,907.31 22,688.68
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	37,572.42	7,865.86	29,706.56
331	Transmission and Distribution Mains	63,666.49	10,729.36	45,253.84
333	Services			
334	Meters and Meter Installations	31,459.66	10,934.70	20,524.96
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2,960.10	542.67	2,417.33
341	Transportation Equipment	11,964.30	9,783.60	2,180.70
343	Tools, Shop and Garage Equipment	239.22	23.90	215.32
344	Laboratory Equipment			
345	Power Operated Equipment	612.88	141.30	471.58
346	Communication Equipment	6,894.04	6,894.04	-0-
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	401,241.77	101,821.34	299,450.43

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

DS Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1056.80	20.10	212.40
302	Franchises	28780.87	6.67	1918.73
303	Land and Land Rights			
304	Structures and Improvements	34083.75	3.33	1136.38
307	Wells and Springs	18849.22	3.33	628.30
311	SUPPLY MAINS Pumping Equipment	110562.48 22569.64	2.00 12.50	2211.26 28325.71
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	37572.42	2.22	834.93
331	Transmission and Distribution Mains	63.666.49	2.10	1119.68
333	Services			
334	Meters and Meter Installations	31,459.66	8.33	2624.96
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2960.10	6.67	542.67
341	Transportation Equipment	11964.30	20.10	2392.80
343	Tools, Shop and Garage Equipment	239.22	5.10	11.95
344	Laboratory Equipment			
345	Power Operated Equipment	612.88	5	30.65
346	Communication Equipment	6894.04	10.10	2849.82
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	401271.77		20660.04

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

COMPANY NAME

D.S. Water Company

**BALANCE SHEET**

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 12960.56	\$ 6399.78
134	Working Funds		
135	Temporary Cash Investments	984.21	2503.18
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	3689.16	3689.16
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 17633.88	\$ 12592.12
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 378950.05	\$ 401271.77
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	68141.307	101821.347
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 297788.75	\$ 299450.43
	<b>TOTAL ASSETS</b>	\$ 315422.63	\$ 312042.55

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME

D.S. Water Company

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$	\$ 1280.00
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	190.00	170.00
236	Accrued Taxes	714.58	22235.73
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	937.99	8675.31
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 3552.57	\$ 11196.04
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	4080.00	4080.00
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 4080.00	\$ 4080.00
	<b>TOTAL LIABILITIES</b>	\$ 7632.57	\$ 116046.04
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 3000	\$ 3000
211	Paid in Capital in Excess of Par Value	758923.42	758923.42
215	Retained Earnings	454133.36	565926.91
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 307796.06	\$ 195996.51
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 315422.63	\$ 312042.55

COMPANY NAME

DS Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1480.32	\$ 43605.52
460	Unmetered Water Revenue	42147.82	-
474	Other Water Revenues	3324.63	361.94
	<b>TOTAL REVENUES</b>	\$ 46952.77	\$ 43967.46
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 84741.71	\$ 95388.75
610	Purchased Water		
615	Purchased Power	1683.23	2453.26
618	Chemicals	73.47	38.33
620	Repairs and Maintenance	6942.70	3194.55
621	Office Supplies and Expense		
630	Outside Services	9250.21	6121.44
635	Water Testing	1208.59	750.43
641	Rents	7449.56	15680.00
650	Transportation Expenses	1246.76	7854.09
657	Insurance - General Liability	6436.04	4781.76
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	4063.59	3372.38
403	Depreciation Expense	19297.30	20660.04
408	Taxes Other Than Income	2.05	
408.11	Property Taxes	2117.15	1109.20
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 155902.36	\$ 152887.23
	<b>OPERATING INCOME/(LOSS)</b>	\$ (108949.59)	\$ (111919.77)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 80.23	\$ 146.97
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	<100.7	
427	Interest Expense	<3.15	(20.00)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ (22.92)	\$ 126.97
	<b>NET INCOME/(LOSS)</b>	\$ (108972.51)	\$ (111792.80)



COMPANY NAME

DS Water Company

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N			
Source of Loan	N			
ACC Decision No.		O		
Reason for Loan				
Dollar Amount Issued	\$	\$	\$ N	\$
Amount Outstanding	\$	\$	\$ N	\$
Date of Maturity				
Interest Rate	%	%	%	E %
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 4080.00

Meter Deposits Refunded During the Test Year

\$ -0-

COMPANY NAME	DS Water Company	
Name of System:	DS Water Company	ADEQ Public Water System Number: 08-072

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-512262	20 HP	186 Gal/min	51 ft	8"	6"	1985

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Well #2 Not in Service		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5 HP (5DB2)	2	None	N/A
10 HP (10DB2)	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
80000	2	119 Gal	8

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

<b>COMPANY NAME</b>	DS Water Company	
<b>Name of System:</b>	DS water	<b>ADEQ Public Water System Number:</b> 08-072

### WATER COMPANY PLANT DESCRIPTION (CONTINUED)

#### MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	6104 ft
3		
4	PVC	19,318 ft
5		
6	PVC 900	5,585 ft
8	PVC 900	1500 ft
10		
12		

#### CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	83
3/4	
1	6
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

**TREATMENT EQUIPMENT:**

None

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**STRUCTURES:**

Well House  
Pressurization House

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**OTHER:**

245' Steel Support Structure over Virgin River

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*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME:	DS Water Company	
Name of System:	DS Water	ADEQ Public Water System Number: 08-072

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	89	780,510	933,510	780,510
FEBRUARY	89	743,650	901,540	743,650
MARCH	89	547,090	611,440	547,090
APRIL	89	680,800	868,043	680,800
MAY	89	845,444	923,447	845,444
JUNE	89	978,194	1,061,406	978,194
JULY	89	983,582	1,146,794	983,582
AUGUST	89	1,222,110	1,356,390	1,222,110
SEPTEMBER	89	1,043,510	1,243,910	1,043,510
OCTOBER	89	952,530	1,033,946	952,530
NOVEMBER	89	814,290	939,189	814,290
DECEMBER	89	643,200	776,200	643,200
TOTALS →		10,234,910	11,825,815	10,234,910

What is the level of arsenic for each well on your system? 7 mg/l  
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for      hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
( ) Yes N/A ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
( ) Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
( ) Yes (x) No

If yes, provide the GPCPD amount: N/A

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME DS Water Company YEAR ENDING 12/31/2007

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 1109.20

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2608 - \$1,109.20 - 10/25/2007

<b>D.S. WATER COMPANY</b> P.O. BOX 106 DESERT SPRINGS AZ 85432 (602) 347-3427		<b>BANK OF NEVADA</b> 100 SOUTH MAIN STREET LAS VEGAS NV 89101 10-1-07	
PAY TO THE ORDER OF <b>Mohave County Treasurer</b>		<b>\$ 1109.20</b>	
<b>One Thousand One Hundred Nine and 20/100</b>		<b>DOLLARS</b>	
<b>MEMO TAXES</b>		<b>90800070</b>	
<b>*002508*</b>		<b>*122401778*</b>	<b>*0000110920*</b>

2609 - \$3,839.79 - 10/03/2007

<b>D.S. WATER COMPANY</b> P.O. BOX 106 DESERT SPRINGS AZ 85432 (602) 347-3427		<b>BANK OF NEVADA</b> 100 SOUTH MAIN STREET LAS VEGAS NV 89101 10-1-07	
PAY TO THE ORDER OF <b>Adm Fee</b>		<b>\$ 3,839.79</b>	
<b>Three Thousand Eight Hundred Thirty Nine and 79/100</b>		<b>DOLLARS</b>	
<b>MEMO OFFICE Fed &amp; Rts</b>		<b>90800070</b>	
<b>*002508*</b>		<b>*122401778*</b>	<b>*0000383979*</b>

2610 - \$806.72 - 10/29/2007

<b>D.S. WATER COMPANY</b> P.O. BOX 106 DESERT SPRINGS AZ 85432 (602) 347-3427		<b>BANK OF NEVADA</b> 100 SOUTH MAIN STREET LAS VEGAS NV 89101 10-24-07	
PAY TO THE ORDER OF <b>Rick Horn</b>		<b>\$ 806.72</b>	
<b>Eight Hundred Six and 72/100</b>		<b>DOLLARS</b>	
<b>MEMO Rick Fed &amp; Rts</b>		<b>90800070</b>	
<b>*002508*</b>		<b>*122401778*</b>	<b>*0000080672*</b>

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

RECEIVED

APR 17 2008

W. J. CORP COMM  
Director Utilities

**VERIFICATION**

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>Mohave</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Rick Holm</u>
COMPANY NAME	<u>DS Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Rick Holm

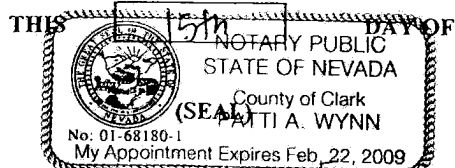
SIGNATURE OF OWNER OR OFFICIAL

928-347-5467

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES FEB. 22, 2009

COUNTY NAME	<u>Clark</u>
MONTH	<u>April</u>
	<u>2008</u>

Patti A. Wynn

SIGNATURE OF NOTARY PUBLIC

COMPANY NAME DS Water Company

YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 111553.83  
Estimated or Actual Federal Tax Liability --0--State Taxable Income Reported 111553.83  
Estimated or Actual State Tax Liability -0-

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -0-  
Amount of Gross-Up Tax Collected -0-  
Total Grossed-Up Contributions/Advances -0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company; or the sole proprietor, if a sole proprietorship.



SIGNATURE

4-15-08

DATE



PRINTED NAME

4-15-08

TITLE



**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

RECEIVED  
APR 17 2008  
ARIZONA CORPORATION COMMISSION  
Director Utilities

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Mohave</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Rick Holm</u>
COMPANY NAME	<u>DS Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2007</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 43967.46

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 2593.28

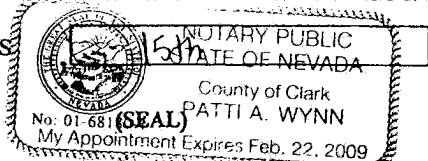
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	<u>Clark</u>	
MONTH	<u>April</u>	<u>2008</u>

Patti A. Wynn  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES Feb. 22, 2009

VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only

RECEIVED

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Mohave	
NAME (OWNER OR OFFICIAL)	Rick Helm	TITLE Owner/Manager
COMPANY NAME	DS Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 43967.46

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 1593.28

IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

*Rick Helm*

SIGNATURE OF OWNER OR OFFICIAL

928-347-5467

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15th

DAY OF



MY COMMISSION EXPIRES Feb. 22, 2009

NOTARY PUBLIC NAME	Patti A. Wynn	
COUNTY NAME	Clark	
MONTH	April	2008

X

*Patti A. Wynn*

SIGNATURE OF NOTARY PUBLIC